



STATE OF WEST VIRGINIA
OFFICE OF THE ATTORNEY GENERAL
DARRELL V. MCGRAW, JR.
CONSUMER PROTECTION DIVISION
1-800-368-8808 or 304-558-8986

Press Release

FOR IMMEDIATE RELEASE

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Contact: Douglas L. Davis

Phone: (800) 368-8808

Attorney General McGraw Settles With Debt Management Company for \$175,000

CHARLESTON - Attorney General Darrell McGraw reached a settlement agreement with Preferred Financial Solutions, Inc., d/b/a CCR Now or Credit Card Relief Now, an Indiana based debt settlement company. As part of the settlement, CCR Now paid \$175,000 to the State to compensate West Virginia consumers.

Also joining the settlement were Thomas P. Dakich, an Indiana lawyer, and Travis R. Fitzwater, a West Virginia lawyer, both of whom assisted CCR Now in providing debt settlement services to West Virginia consumers. In West Virginia, for profit debt settlement companies can charge no more than two percent (2%) of the amount of money deposited by consumers for payment to creditors. Attorney General McGraw alleged that CCR Now charged consumers more than the allowable 2% and that it also was not registered to do business in West Virginia.

As part of the settlement, CCR Now agreed to finish settling debts for its current customers at no further charge.

This increasingly common, and sometimes controversial business of debt settlement has arisen as consumer credit card debt has ballooned in the past few years. Debt settlers such as CCR Now develop repayment plans to help consumers repay outstanding debts at a deep discount. Consumers make payments to the debt settlers who then claim to negotiate with creditors to reduce the amount of debt owed.

"My office will continue to scrutinize the debt relief industry in an effort to protect consumers who are already facing dire financial circumstances from paying excessive fees for services that may leave them in worse shape than before," said Attorney General McGraw. "I am heartened that CCR Now has agreed to help its remaining customers in West Virginia for free," he said. "If CCR Now can settle credit card debts for less than what is owing at no further cost to the consumer, that is true relief."

Past and current customers of CCR Now have until November 30, 2010 to file a claim for reimbursement of part of their fees paid to CCR Now.

Anyone wishing to file a complaint about a consumer matter or to let the Attorney General know about unfair or deceptive practices may do so by calling the Consumer Protection Hotline at 1-800-368-8808, or by obtaining a complaint form from the Consumer web page at www.wvago.gov.

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